

SENATE FINANCE COMMITTEE
March 16, 2011
9:09 a.m.

[9:09:46 AM](#)

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:09 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Lesil McGuire, Vice-Chair
Senator Johnny Ellis
Senator Dennis Egan
Senator Donny Olson
Senator Joe Thomas

MEMBERS ABSENT

None

ALSO PRESENT

Jo Ellen Hanrahan, Director, Division of Administrative Services, Department of Commerce, Community and Economic Development; Alison Elgee, Assistant Commissioner, Finance and Management Services, Department of Health and Social Services; Jennifer Klein, Facilities Section Chief, Finance and Management Services, Department of Health and Social Services; Joseph A. Masters, Commissioner, Department of Public Safety; Dan Spencer, Director, Division of Administrative Services, Department of Public Safety;

PRESENT VIA TELECONFERENCE

NONE

SUMMARY

SB 46 BUDGET: CAPITAL

#sb46

SENATE BILL NO. 46

"An Act making and amending appropriations, including capital appropriations and other appropriations; making appropriations to capitalize funds; and providing for an effective date."

[9:11:45 AM](#)

JO ELLEN HANRAHAN, DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT, introduced herself.

Department of Commerce, Community, and Economic Development

RN 45409
Tourism Economic Impact Study
\$100,000

Ms. Hanrahan stated that the project would document the value of the visitor industry to the state. It would use the data from the Alaska Visitor's Statistics Program to translate visitor volume and spending into jobs, payroll, with indirect and direct impacts to the state.

Co-Chair Stedman stated that RN 51550 would be skipped.

RN 38946
Community Block Grants
\$6.5 million Fed Rcpts
\$71,000 G/F Match

Ms. Hanrahan explained that the program was an annual request that would provide grants to communities and non-profits that provide services or benefit low- to moderate-income individuals. She stressed that the request included the community services block grant (CDBG), which were grants that go through the federally designated Community Action Agency. The CDBGs had a two percent state match.

RN 38943
Community Development and Assistance
\$380,000 Fed Rcpts
\$220,000 G/F Match
\$4,140,200 CIP Rcpts

Ms. Hanrahan explained that the request included multiple federally funded programs to enable commerce to provide development opportunities and assistance to communities and non-profit organizations. Included in the request were the Alaska Floodplain and Erosion Management Program; the Coastal Zone Management Program; the Cooperating Technical Partners Program; the Alaska Sustainable Salmon Fund Program; the Hazard Mitigation Assistance Grants; and the Coastal Impact Assistance Program.

[9:16:22 AM](#)

Co-Chair Stedman remarked that the legislature had separated the appropriation into different allocations, and wondered if that was effective. Ms. Hanrahan replied that the Department of Commerce, Community, and Economic Development (DCCED) preferred only one appropriation, because there were federal programs that come in throughout the year. Having only one appropriation allowed DCCED to accept the federal money. She pointed out that an appropriation with several different allocations allowed for the acceptance of federal funds.

Co-Chair Stedman surmised that the separating of allocations was effective. Mr. Hanrahan affirmed.

Senator Egan wondered why the Alaska Seafood Marketing Institute (ASMI) was not managing the Alaska Sustainable Salmon Fund Program. Ms. Hanrahan replied that the funds would go directly to the Department of Fish and Game from the federal government, and the grants that DCCED received would go to help communities to deal with some arising fish issues. The money was not used to market salmon.

Co-Chair Hoffman wondered what the problems were with the Coastal Impact Assistance Program (CIAP). He explained that he had received complaints of extended delays on some communities receiving grants. Ms. Hanrahan assumed that Ms. Houston was referring to the Coastal Zone Management program, and Ms. Houston affirmed. Ms. Hanrahan explained that there were communication problems with the departments about how to effectively deliver the money to the communities.

Co-Chair Hoffman wondered if there was a jurisdiction issue. Ms. Hanrahan replied that there were some issues that the departments were attempting to resolve.

Co-Chair Hoffman declared that the communities were poorly affected, and felt the state mishandled the situation. He stressed that there were extensive delays in the contract, and the administration of the program. He felt that the Department of Natural Resources had imposed certain restrictions on the communities. He wondered if those issues were resolved. Ms. Hanahan believed the issues were resolved.

Co-Chair Hoffman requested information regarding those issues. Ms. Hanrahan agreed to provide that information.

Senator Olson noticed that the Alaska Sustainable Salmon Fund was over \$1 million, and wondered what portion was going to be used for relief for fishing disaster in the Yukon. Ms. Hanrahan agreed to provide that information.

RN 49915
Alaska Manufacturing Extension Partnership - State
Matching Support
\$400,000

Ms. Hanrahan explained that the program would provide technical, business, and economic training and assistance to Alaska's small manufacturers. She stated that it was a grant to the Alaska Manufacturing Extension Partnership (AMEP). The grant was leveraged by federal money in the same amount that the state provided, as well as leveraged by in kind contributions from the individual manufacturers. She explained that the program focused on core programs that would enhance small and mid-size manufacturers in Alaska including: elimination of waste in production cycles, increased efficiency, business development and marketing assistance, and increased labor efficiency.

[9:22:43 AM](#)

Co-Chair Hoffman wondered if the item was requested by the administration or the legislature in 2010. Ms. Hanrahan replied that the governor did not request money.

RN 48906
Newtok Traditional Council-Newtok Evacuation Shelter
and Access Road.
\$2,500,000

Ms. Hanrahan explained that the funding would allow the Department of Transportation and Public Facilities (DOT/PF) to continue working with the Newtok Traditional Council and the Pentagon's Innovative Readiness Training program to develop the Mertarvik relocation site. The program contributed to the department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. The funding would contribute to the design and environmental permitting, and purchase of the road and building materials.

RN 45813

Marine Exchange of Alaska - Alaska vessel Tracking System Upgrades and Expansion
\$600,000

Ms. Hanrahan explained that the funding would assist in the operating, maintaining, upgrading, and expanding the vessel tracking system provided by the Marine Exchange of Alaska. She explained that the Marine Exchange was used by the Coast Guard and State, and increased the safety and efficiency with maritime operations.

Co-Chair Stedman requested further information about what the intent of the \$600,000. Ms. Hanrahan replied that there was a plan to upgrade the vessel tracking system, which would increase the sites through the Arctic region.

Co-Chair Stedman stated that there had been multi-year appropriations, and requested more detailed information regarding the specific use of the \$600,000.

Senator McGuire added that she attended a presentation in Anchorage about the vessel tracking system, and felt confident that the funds would be utilized well. Co-Chair Stedman reiterated that he wanted information about how the funds would be spent. Ms. Hanrahan explained that there was a plan to increase the number of vessel tracking sites into the Arctic and other remote regions.

RN 49171

Covenant House Alaska - Facility Construction
\$3,100,000

Ms. Hanrahan explained that the request would continue funding for rebuilding and relocation of the Covenant

House/Crisis Center for homeless and at-risk youth. The program would contribute to the department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it serves. She explained that there were some gaps in the program's funding, and this request would help to fill some of the gaps. She stressed that approximately 60 percent of the kids coming into the facility are from foster care, and the center experienced a 58 percent increase in average daily census over three years. She explained that the funding would help to complete the building project.

[9:27:24 AM](#)

Co-Chair Hoffman queried the impact of 49171 on the operating budget. Ms. Hanrahan agreed to provide that information.

Co-Chair Stedman stated that request was for a grant to a named recipient, which he considered abnormal, so he wondered why the administration would make this request. Ms. Hanrahan replied that it was not unusual for the governor to request grants to named recipients.

Co-Chair Stedman requested a history of the past few years' capital budgets, and some analytical data.

Senator McGuire stated that the Covenant House was run by the Catholic Church. She stated that the Covenant House was requesting funds for the structure. She stated that the organization was run by volunteers.

Co-Chair Stedman agreed, and felt the state had supported the organization in the past. He stressed that there was an appropriation of \$7 million, and stated that there was a question of the impact of the funds. Ms. Hanrahan stated that the entity was part of a larger company, which had contributed over \$21 million to care for Alaska children.

Co-Chair Stedman stressed that the quality of the request was not the concern. He reiterated that there was no lack of support for the program. He was concerned about where the request was coming from.

RN 50456

Cook Inlet Tribal Council-Completion of the Dena'ina House Demonstration Education Project

\$3,000,000

Ms. Hanrahan stated that the project was designed to address student homelessness and residential transiency. She stated that it was a long-term residential facility to address major barriers against student success. She explained that there was a high level of homelessness and transiency, which were major contributors to absenteeism and poor school performance. She stated that the request was a cost effective strategy to provide stable homes for Native students age 14 to 18, which were homeless, transient, and had a high risk of education failure. She stressed that the goal was to provide education and counseling that would strengthen self-esteem; and to develop values of responsibility and hard work.

Co-Chair Hoffman queried the impact of project number 50456 on the state's operating budget. Ms. Hanrahan agreed to provide that information.

RN 38713
Arctic Power-ANWR Program
\$160,000

[9:32:25 AM](#)

RN 51263
Skagway City Dock Improvements
\$3,018,200 CPV Tax
\$6,981,800 AHCC Rcpts

Ms. Hanrahan stated that the request would fund improvements to the Skagway City Dock to accommodate both the tourism and mining industries. She explained that there had been recent mining activity in large Canadian mines, so there were increased ore shipments through the Skagway port facilities.

Co-chair Hoffman pointed out that an item had been skipped.

RN 42004
Arctic Winter Games Team Alaska-Host Society
\$500,000

Ms. Hanrahan explained that the request was for the Arctic Winter Games Host Society start up and preparation for the 2014 games. She stated that the program contributed to the

department's mission of promoting a healthy economy and strong communities by providing economic growth in the communities it served.

Co-Chair Stedman felt the non-profit requests seemed unusual. He remarked that the administration does not normally make those types of requests. Ms. Hanrahan replied that she had seen similar requests in years past.

Co-Chair Stedman remarked that some had not, and he requested more information about non-profit budget requests. Ms. Hanrahan agreed to provide that information.

RN 41959

Arctic Winter Games Team Alaska-State Participation Grant

\$315,000

Ms. Hanrahan explained that the request would help fund the 2012 Arctic Winter Games. She stated that the private sector would provide sponsorships to help defray the costs. She furthered that the participants would also do some fundraising to help provide the cost. She stressed that the state funding would supplement the corporate sponsorships, fundraising, and in-kind donations.

She repeated the Skagway City Dock project, and added that the improvements to the dock would help provide jobs and economic growth. She explained that there was support for the project from Skagway and the Yukon.

[9:36:23 AM](#)

RN 41956

Municipality of Anchorage-Port of Anchorage Expansion

\$20,000,000

Ms. Hanrahan stated that the project was on-going. She explained that the Port of Anchorage served 80 percent of the population of Alaska, as an entry point for 90 percent of the consumer goods and petroleum projects. She explained that the funding would continue the next phase of the Port of Anchorage project.

Co-Chair Stedman wondered if the next phase was for expansion or rebuilding the construction problems. Ms. Hanrahan agreed to provide the information.

Co-Chair Stedman assumed that the request was for the rebuilding. He felt that there probably would not be requests for new construction. Ms. Hanrahan replied that the request was for completion of the wet and dry barge berth facilities; including surface improvements for barge operations and rail extension to the north extension and barge birth.

Co-Chair Stedman requested Ms. Hanrahan review the intentions of the Anchorage Port request. Ms. Hanrahan agreed to follow up on that request.

[9:38:12 AM](#)

RN 46242
Matanuska-Susitna Borough-Port MacKenzie Rail
Extension
\$20,000,000

Ms. Hanrahan explained that the project was for continued development and construction of the Matanuska-Susitna Borough Port MacKenzie Rail Extension Project. The Rail Extension would promote the diversification of Alaska's economy. The project was expected to gain up to 3,500 jobs.

Co-Chair Stedman encouraged Department of Commerce, Community, and Economic Development to review the projects, and determine the value of the project. He wondered what the administration's policy stance was regarding the project.

RN 50409
Life Alaska Donor Services, Inc-Donor Program
\$35,000

Co-Chair Stedman noted that the bill language was included in the request.

[9:43:14 AM](#)

RN 51873
Alaska Energy Authority Emerging Energy Technology
\$3,141,600

Senator Olson referred to the tourism impact study, and wondered why the study was needed if there was already a

report out. Ms. Hanrahan replied that the funding would be for the next step, and the request would be updating the economic impact on an annual basis.

9:45:04 AM

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9:46:30 AM

RECONVENED

Department of Health and Social Services

ALISON ELGEE, ASSISTANT COMMISSIONER, FINANCE AND MANAGEMENT SERVICES, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, and JENNIFER KLEIN, FACILITIES SECTION CHIEF, FINANCE AND MANAGEMENT SERVICES, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, introduced themselves.

RN 41501
Medicaid Management Information System Completion
\$2,280,420 Fed Rcpts
\$1,003,380 G/F Match

Ms. Elgee stated that the request would fund the completion of the department's Medicaid Management Information System. She stated that the project was delayed, but she anticipated the project going live in April 2012. She stated that there was a six month operation phase until the federal government could certify the project.

RN 41336
McLaughlin Youth Center Safety and Security Phase 1
Completion
\$4,275,000

Ms. Klein stated that the project would address the medical suite space calculation error; the extension of the duration of the project; and the asbestos abatement.

Co-Chair Stedman wondered what contractor style was implemented in the procurement. Ms. Klein replied that there were two proposal requests.

Co-Chair Stedman wondered if the system was set up to avoid pit falls. Ms. Klein replied that they did not expect the three issues.

Co-Chair Stedman queried the impact of possibly not funding the project. Ms. Klein replied that current contractor would demobilize; they would need to put the project out for bid; the cost would be higher; and there would not be progress until phase one was complete.

Co-Chair Stedman wondered if the request would complete each phase. Ms. Klein responded that the funding would only complete phase one.

Co-Chair Stedman wondered why the request did not indicate further phases. Ms. Klein agreed to provide that information.

Co-Chair Hoffman looked at the documentation, and wondered the impact of the state's operating budget. Ms. Klein replied that because the design was complete, there would be no design development. She stated that the facility was currently running, so the costs were already implemented.

Co-chair Hoffman requested documentation of the project's operating budget impact. Ms. Klein agreed to provide that information.

[9:51:25 AM](#)

Senator Egan surmised that the request added 20 percent to the existing project. Ms. Klein replied that there was a need for a 20,000 square feet medical suite.

Senator Egan noted that the request was much higher than the original request. Ms. Klein stated that there was a miscommunication that occurred between the preliminary designer and the cost estimator in the Division of Juvenile Justice staff and preliminary designer. She furthered that the abatement happened during construction, and asbestos was discovered in the soil.

Senator Egan wondered if the same issue of abatement had occurred in the Johnson Youth Center. Ms. Klein replied that she was personally overseeing the Johnson Youth Center project, and assured the committee that she would do what she could to avoid similar problems.

Co-Chair Stedman wondered when the asbestos was discovered. Ms. Klein stated that the asbestos was discovered soon

after the construction started, but agreed to provide more detailed information.

Co-chair Stedman wondered if the asbestos had already been removed. Ms. Klein affirmed.

Co-Chair Stedman wondered if the request was backfill. Ms. Klein replied that the request was to cover the expenses.

Co-Chair Stedman surmised that if the request was not approved, then the project would remain incomplete. Ms. Klein affirmed.

Co-Chair Hoffman wondered why the asbestos abatement request was not in the supplemental budget. Ms. Elgee replied that when she examined the needs for the project, the cash flow was such that there was not urgency for increased authorization until after July 1 2011. She agreed that it was supplemental to the existing operation.

Co-Chair Hoffman stated that it was probably more appropriate to request the funding for asbestos abatement in the supplemental, instead of using construction dollars that were identified for a specific purpose.

[9:56:24 AM](#)

RN 46895
Alaska Veterans and Pioneers Home Storage
\$885,000

Ms. Klein explained that the project would fund the construction of a storage unit adjacent to the Alaska Veterans and Pioneers Home. The storage unit would provide heated and unheated storage space. Resident rooms and off-site units were used for storage, which resulted in additional operating cost and loss of revenue.

Co-Chair Stedman wondered why the appropriation was not addressed earlier. Ms. Klein replied that there was a request in 2008, and storage was built in Fairbanks. The appropriation was for a smaller amount than requested, so it was determined that only one unit could be built.

Co-Chair Stedman wondered why they were not in the 2009 or 2010 budget cycle. Ms. Klein replied that the division did

not send the request for those years, but believed that there was a request for 2011.

RN 46918
Health Insurance Portability and Accountability Act
Compliance
\$1,000,000

Ms. Elgee explained that there were requirements that were driven by the federal government to protect private health information. She stressed that the computers storing that information needed to be properly protected, with fire walls that could not be penetrated. In addition to the security, auditing and logging procedures were required to accurately track the access to the private databases. She furthered that the request included personnel training. She stressed that there had been an increased level of scrutiny from the federal government to begin to implement the program.

Co-Chair Hoffman wondered if the additional position was included in the FY 12 operating budget. Ms. Elgee replied that she did not know if the need would be ongoing.

[10:01:09 AM](#)

Senator Egan wondered how the money was spent if there were recurring problems. Ms. Elgee replied that Health Information Privacy Act (HIPA) compliance was not a risk management effort to assure that information was properly protected. She stated that HIPA rules were continually modified, and pointed out that the recent regulation revisions that placed more requirements and expectations on the states. She furthered that there would be continual HIPA compliance to maintain federal assurance.

Senator Egan surmised that the request would be ongoing. Ms. Elgee replied that the HIPA effort will never cease, but the request in the capital budget was for initial equipment, training, and contracting efforts to begin to maintain the privacy environment.

Senator Egan stated that it seemed a constant request. Ms. Elgee stated that the amount of federal funds that could be earned through HIPA compliance was grossly overestimated in prior years.

RN 50917
Senior and Disability Services System Upgrade
\$1,350,000 Fed Rcpts
\$1,350,000 G/F Match

Ms. Elgee stated that the Division of Senior and Disability Services (DSDS) case management system was designed and built in house over the last five years. Some of the technology used was obsolete and difficult to maintain. She explained that continual development to support changing business and regulatory needs compounded the issue. The system was originally proposed as the means to consolidate the DSDS program waivers into a single database.

RN 46944
MH Behavioral Health Data Sharing Partnership
\$245,000

Ms. Elgee explained that the request would fund software upgrades and enhancements to existing programs that would allow for shared use among internal and external agencies. The Division of Behavioral Health, working with the Department of Corrections and the Court System, would be able to capture data across various settings and identify need, rate of referral and access to the treatment system, and measure outcomes of services to people who traditionally end up in the legal system. The request would optimize mental health services to Alaskans.

[10:06:32 AM](#)

RN 42837
Emergency Medical Services Ambulances and Equipment
Statewide-Match for Code Blue Project
\$425,000

Ms. Klein explained that funds were needed to continue the work of the Code Blue Steering committee. This committee was formed to identify and purchase critical Emergency Medical Services (EMS) equipment and ambulances for EMS agencies around the state, particularly in rural locations.

RN 50758
Juvenile Offender Management Information System
Testing Automation
\$25,000

Ms. Elgee explained that the Division of Public Assistance was requesting an automatic call distribution system to provide the capability to efficiently route telephone traffic between offices within a region and even between regional offices.

RN 50870
Equipment of Electronic Benefit Transfer Connectivity
To Alaska's Back-Up Data Center for Vulnerable
Alaskans
\$50,000

Ms. Elgee stated that the request would fund equipment for the Electronic Benefit Transfer system at the state's disaster back-up center.

RN 33670
MH Deferred Maintenance and Accessibility Improvements
\$500,000

Co-Chair Stedman stressed that there should be a dollar amount mention with each item.

Ms. Klein stated that the request was for funds needed to keep program facilities operational and accessible.

RN 33671
MH Home Modification and Upgrades to Retain Housing
\$750,000 GF/MH
\$300,000 MHTAAR

Ms. Klein stated that the request would provide housing modifications to persons with special needs, allowing them to remain in their homes and reduce the potential cost of providing supported housing or a move to more institutional housing.

[10:11:31 AM](#)

RN 37934
Pioneer Homes Deferred Maintenance, Renovation,
Repair, and Equipment
\$4,000,000

Ms. Klein stated that the request was for deferred maintenance projects for Pioneer Homes statewide; including

immediate and critical renewal, repair, replacement, and equipment. She stated that the request had numerous allocations, but were not listed by priority.

Co-Chair Stedman wondered if the data shown for the Pioneer Home would exceed \$4 million. Ms. Klein replied that it exceeded \$4 million.

Co-Chair Stedman requested the list of priorities. Ms. Klein agreed to provide that information.

RN 45521
Alaska Veterans and Pioneers Home
\$1,282,766

Ms. Klein explained that the request for the Alaska Veterans and Pioneers Home deferred maintenance.

RN 45517
Anchorage Pioneer Home
\$879,640

Ms. Klein stated that the request was for the Anchorage Pioneer Home deferred maintenance.

RN 45519
Juneau Pioneer Home
\$803,844

Ms. Klein explained that the request was for the Juneau Pioneer Home deferred maintenance.

RN 45520
Ketchikan Pioneer Home
\$1,033,750

Ms. Klein stated that the request was for the Ketchikan Pioneer Home deferred maintenance.

RN 31862
Non-Pioneer Home Deferred Maintenance, Renovation
Repair, and Equipment
\$86,339 Fed Rcpts
\$386,542 G/F Match
\$2,613,458 Gen Fund

Ms. Klein explained that the request was for deferred maintenance and renovation projects for facilities maintained by the Department of Health and Social Services. The facilities included health centers, youth facilities and behavioral health facilities statewide with a combined replacement value of \$343 million. Funds would be used for immediate and critical renewal, repair, replacement and equipment needs in state-owned facilities and selected leased facilities. The request did not include the deferred maintenance needs for the Pioneer Homes.

RN 51436
Alaska Psychiatric Institute
\$423,015

Ms. Klein explained that the request was for the Alaska Psychiatric Institute deferred maintenance.

RN 51499
Anchorage Public Health Laboratory
\$119,848

Ms. Klein stated that the request was for the Anchorage Public Health Laboratory deferred maintenance.

RN 45500
Bethel Youth Facility
\$104,202

Ms. Klein explained that the request was for the Bethel Youth Facility deferred maintenance.

RN 45507
Johnson Youth Center
\$115,780

Ms. Klein stated that the request was for the Johnson Youth Center deferred maintenance.

RN 45502
Dillingham Health Center
\$1,486 Fed Rcpts
\$6,782 Gen Fund

Ms. Klein stated that the request was for the Dillingham Health Center deferred maintenance.

RN 45508
Juneau Public Health Center
\$10,420 Fed Rcpts
\$47,470 G/F Match

Ms. Klein explained that the request was for the Juneau Public Health Center deferred maintenance.

RN 51514
Ketchikan Public Health Center
\$53,591 Ged Rcpts
\$244,132 G/F Match

Ms. Klein stated that the request was for the Ketchikan Public Health deferred maintenance.

RN 45511
Ketchikan Regional Youth Facility
\$780,898

Ms. Klein explained that the request was for the Ketchikan Youth Facility deferred maintenance.

RN 45512
Mat-Su Youth Facility
\$24,810

Ms. Klein stated that the request was for the Mat-Su Youth facility deferred maintenance.

RN 45513
McLaughlin Youth Center
\$1,038,023

Ms. Klein explained that the request was for the McLaughlin Youth Center deferred maintenance.

RN 45522
Sitka Public Health Center
\$20,840 Ged Rcpts
\$94,940 G/F Match

Ms. Klein stated that the request was for the Sitka Public Health Center deferred maintenance.

RN 45543
Statewide Deferred Maintenance, Renovation, Repair,

and Equipment
\$100

Ms. Klein explained that the request was for miscellaneous deferred maintenance required by the state.

RN 47611
HIPAA Updated Electronic Transaction Standards
\$3,600,000 Fed Rcpts
\$400,000 G/F Match
\$100,000 Gen Fund

Ms. Elgee explained that this request was for required modifications to the existing electronic transaction system to comply with the Health Insurance Portability and Accountability Act (HIPAA). She stated that the state must be compliant with federal mandates for secure electronic medical transactions by January 2012 to avoid federal penalties.

RN 51853
Electronic Health Record Incentive Payments
\$36,518,800

Ms. Elgee stated that the project would allow for incentive payments to health providers to encourage transition to an electronic health record environment. She stated that grant payments were available at the federal level.

Co-Chair Stedman wondered why it the request would go down by half in two years. Ms. Elgee replied that request was for what the department had deemed realistic.

Senator Egan wondered if the current electronic databases would interface with new technology. Ms. Elgee stated that the technology would interface with each other.

Co-Chair Hoffman asked about senior care facilities and the facility built in Bethel. He commented that providing services costs nearly \$6.5 million. He viewed these as dollars saved to the federal budget. The last array of need anticipated could save that state on an annual basis. He mentioned an investment of \$48 million, but the savings of the construction would save the state \$15 million. He felt the population of seniors was long ignored. He wondered why this was not a priority. Ms. Elgee responded that the projected savings has not materialized. She spoke to cost

avoidance as the tribal members will be served at 100 percent reimbursement.

Co-Chair Hoffman asked about the substantial funding of the budget. He spoke to the anticipation of the savings leading to ignorance of the populations. Ms. Elgee expressed concern about addressing the health care needs of all of Alaska's population.

Co-Chair Hoffman pointed out that the amount of request is reflected in the capital budget request.

[10:23:59 AM](#)

Department of Public Safety

JOSEPH A. MASTERS, COMMISSIONER, DEPARTMENT OF PUBLIC SAFETY, commented on prior year requests. He noted that requests regarding the facilities and vessels are necessary.

RN 37774
Alaska State Trooper Law Enforcement Equipment
Replacement
\$500,000

DAN SPENCER, DIRECTOR, DIVISION OF ADMINISTRATIVE SERVICES, DEPARTMENT OF PUBLIC SAFETY, explained that the request was for funding to purchase new and replace law enforcement equipment for use by the Alaska State Troopers.

RN 45300
Alaska Wildlife Trooper Law Enforcement Equipment
Replacement
\$500,000

Mr. Spencer stated that the funding would purchase new and replace law enforcement equipment for use by the Alaska Wildlife Troopers.

RN 6121
Aircraft and Vessel Repair and Maintenance
\$850,000

Mr. Spencer stated that this was an annual request for repair and maintenance for the Department of Public Safety (DPS) aircraft and vessels.

[10:28:30 AM](#)

Co-Chair Stedman wondered why there was not a smoother transition of funding in future requests. Mr. Spencer replied that the anticipation was for higher numbers, but sometimes the requests could be smaller. He stated that some boats were very old, so there was an anticipation of possible replacement.

Senator Olson queried the accident history. Mr. Masters agreed to provide that information.

Senator McGuire pointed out that there were some vessels for sale for very low rates. Mr. Masters replied that there are issues of sustainability, so purchasing used vessels presented maintenance issues.

RN 45336
Alaska State Troopers Records Management System
\$775,000

Mr. Spencer stated that the request was for for additional configuration and migration of the new records management system for the Alaska State Troopers.

Co-Chair Stedman wondered if the request would include the patrol cars. Mr. Masters replied that the request would include patrol cars.

[10:32:11 AM](#)

RN 45401
Data Exchange with MAJIC Agencies Phase 2
\$800,000

Mr. Spencer stated that the request was for an ongoing project to facilitate information sharing and reduce the amount of paper currently sent between Alaska criminal justice agencies.

RN 51707
Village Public Safety Officer (VPSO) Equipment
Replacement
\$337,500

Mr. Spencer stated that the request was for VPSO equipment replacement.

RN 51706
Anchorage Aircraft Hangar Improvements
\$1,000,000

Mr. Spencer explained that the request was for the maintenance of the Anchorage Aircraft Hangar.

Senator Olson wondered if the paving was the responsibility of the Airport Authority. Mr. Spencer replied that it was a lease holder improvement.

Senator McGuire wondered the location of the Hangar. Mr. Masters replied that it was on Lakehood.

RN 39941
Phase 3-Mobile Solutions, Online Fire and Life Safety
Plan Review System
\$165,500

Mr. Spencer stated that the request was to provide funding to add a mobile inspection module to the on-line Fire and Life Safety Plan Review and Inspection Data System.

Mr. Masters added that the program would allow the examiners to do outside inspections, and to pull plans that are in the system.

[10:37:34 AM](#)

RN 35825
Marine Fisheries Patrol Improvements
\$2,000,000 Fed Rcpts

Mr. Spencer stated that the request was recurring, and would help the department achieve its mission to ensure public safety and enforce fish and wildlife laws and protect wildlife resources.

Co-Chair Stedman stated that there was some undercover issues with some lodges, and wondered if there were some fiscal constraints to continue that effort. Mr. Masters replied that the existing level of enforcement would continue.

RN 41788
Statewide Facilities Maintenance, Repairs, and
Improvements
\$1,350,000

Mr. Spencer stated that the funding was for maintenance projects for DPS occupied state-owned buildings.

Co-Chair Stedman wondered if the maintenance listed beyond what was mentioned. Mr. Spencer replied that the DPS considered the list high priority.

RN 51801
Fairbanks: Post Facility Interior and Exterior Repair
and Renovation
\$39,600

Mr. Spencer stated that the request was for needed repairs and renovations to the Fairbanks Post including cable relocation; sidewalk and parking lot repair and resurfacing; evidence lot fence repair and expansion; and garage door weatherization and repair.

[10:40:40 AM](#)

Co-Chair Stedman wondered if 51801 was the final request and if it was just allocations. Mr. Spencer affirmed.

Co-Chair Stedman stated that he had seen some concern in the media regarding the covering of the troopers, and wondered if there were issues that the department felt they need to address. Mr. Masters stated that there was already an investigation with existing funds and resources.

Co-Chair Hoffman pointed out the expansion of the VPSO, and wondered how the space needs were met in those communities. Mr. Masters stated that the initial equipment needs were handled in the operating budget, and replacement equipment would be a future issue. He explained that DPS was addressing infrastructure needs and support capabilities for the communities.

Co-Chair Hoffman requested an exploration of the additional troopers, and wondered if there were specific capital requests for individual communities.

Co-Chair Stedman wondered if there were shortfalls in dealing with cold cases. Mr. Masters stated that there had been no need-requests for additional funding.

Co-Chair Stedman wondered if there was enforcement dealing with small boat fisheries and high gas prices. Mr. Spencer replied that if gas prices continued to climb, there would be an adjustment in the requests.

Co-Chair Stedman stated that there was a concern in high fuel costs, and wanted adequate enforcement of the fisheries. Mr. Spencer replied that the governor and administration were cooperative in ensuring enforcement capability.

[10:46:53 AM](#)

Senator McGuire wondered if the trooper salaries had matched the municipal salaries. Mr. Masters replied that there was a survey conducted, and stated that the results were adequate in deeming the salaries competitive.

Senator McGuire wondered what incentives were being given pilot licenses. Mr. Masters replied that the biggest incentive was the coverage of training costs.

Senator McGuire queried domestic violence intervention and training. Mr. Masters replied that the academy had improved its training at the basic level; in-service training was being explored; domestic violence response program training was available in conjunction with the University of Alaska Anchorage; and there was an increase increment request for \$50,000 to increase training related to sexual assault and child forensic interview techniques.

Co-Chair Stedman wondered what the revenue impact of the Alaska State Troopers television show. Mr. Masters responded that there was no revenue generated from the television show.

Co-Chair Stedman wondered if the television show enhanced recruitment. Mr. Masters replied that there had been an increase in the number of applications, but most were out of state. He stressed that DPS had not seen an increase in qualified applicants.

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ADJOURNMENT

10:51:49 AM

The meeting was adjourned at 10:51 AM.